

House Research Act Summary

CHAPTER: 69

SESSION: 2015 Regular Session

TOPIC: Omnibus Higher Education Bill

Analyst: Sean Williams, sean.williams@house.mn
Matt Gehring, matt.gehring@house.mn

Date: May 28, 2015

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Overview

This act is the 2015 higher education budget and policy omnibus. Among other items, this act appropriates money to the University of Minnesota, the Minnesota State Colleges and Universities, and the Office of Higher Education for fiscal years 2016 and 2017. Specific policy changes are described within each article summary below.

This act was approved by the governor May 22, 2015. Most provisions are effective July 1, 2015.

Article 1: Higher Education Appropriations

Overview

This article appropriates funds in fiscal years 2016 and 2017 for higher education.

- 1 Summary of Appropriations.** Summarizes 2016 and 2017 appropriations by fund and by agency. Total appropriations for the biennium are \$3.071 billion.
- 2 Higher education appropriations.** Specifies that appropriations contained in the bill are for fiscal years 2016 (first year) and 2017 (second year).
- 3 Minnesota Office of Higher Education.** Appropriates \$230.8 million in fiscal year 2016 and \$236.6 million in fiscal year 2017 from the general fund to the Office of Higher Education, as described below.

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- **State Grants** at \$180.3 million in each year, which is \$3.5 million greater than in the previous biennium. Article 5 includes new statutory language governing the living and miscellaneous expense allowance and tuition caps.
- **Child Care Grants** at \$6.7 million per year.
- **State Work-Study** at \$14.5 million per year.
- **Interstate Tuition Reciprocity** at \$11.0 million per year, with transfer authority between years if necessary.
- **Safety Officer's Survivor Grants** at \$100,000 per year, with transfer authority between years, if necessary. This program provides benefits to eligible dependent children and spouses of public safety officers killed in the line of duty.
- **Indian Scholarships** at \$3.5 million per year, an increase of \$400,000 per year over the previous biennium. Requires that at least one person with demonstrated competence in American Indian culture and who lives in or near Bemidji be employed to assist students with the American Indian scholarship and other financial aid programs at Bemidji State University.
- **Tribal College Grants** at \$150,000 per year. These grants support enrollment of students at tribal colleges that are not members of a federally-recognized tribe. Existing federal grant funding is not available for educational costs associated with enrollment of these students.
- **Intervention for College Attendance Program Grants** at \$671,000 per year, which includes funding to administer the program grants.
- **Student-Parent Information** at \$122,000 per year.
- **Get Ready!** at \$180,000 per year.
- **Minnesota Education Equity Partnership** at \$45,000 per year.
- **Midwest Higher Education Compact** at \$115,000 per year, an increase of \$20,000 per year over the previous biennium.
- **United Family Medicine Residency Program** at \$501,000 per year, to support up to 21 resident physicians in family practice. This funding level represents an increase of \$150,000 per year over the previous biennium, and 3 additional resident physician positions. The program is intended to train doctors to practice family medicine in underserved urban and rural areas of the state.
- **MnLINK Gateway and Minitex** at \$5.9 million per year.
- **Statewide Longitudinal Education Data System (SLEDs)** at 882,000 per year.
- **Hennepin County Medical Center** at 645,000 per year, to support graduate family medical education programs.
- **MNSCU Two-Year Public College Program** at \$5,000,000 in fiscal year 2017. This appropriation funds a pilot program offering select students scholarships to attend two-year colleges in Minnesota. This program established in article 3, section 20. Of the appropriation, about \$4.0 million is for college program grants, \$782,000 is for

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mentoring and outreach, and \$225,000 is for information technology and administrative costs. The base for fiscal years 2018 and 2019 are set at \$3.5 million and \$0, respectively.

- **College Possible** at \$250,000 per year. This appropriation is for immediate transfer to the College Possible program, which supports programs encouraging low-income students to attend and graduate from college. The appropriation must be allocated proportionally to students from greater Minnesota and the seven-county metropolitan area, and must only be used for supporting students who plan to attend colleges and universities in Minnesota. This language originated in Representative Urdahl's H.F. 1391 and Senator Cohen's S.F. 1334.
- **Large Animal Veterinarian Loan Forgiveness** at \$250,000 in fiscal year 2016. This program was originally established in 2009, but has not received funding in recent years. This language originated in Representative Metsa's H.F. 1623 and Senator Spark's S.F. 1240.
- **Spinal Cord and Traumatic Brain Injury Research Grant Program** at \$500,000 per year. This appropriation is to fund a new program established in article 3, section 10.
- **Summer Academic Enrichment Program** at \$100,000 per year. This appropriation is to fund a new program established in article 3, section 7.
- **Dual Training Competency Grants; OHE** at \$1 million in FY 2016 and \$2 million in FY 2017. This appropriation is to fund a new program established in article 3, section 11.
- **Dual Training Competency Grants; DOLI** at \$200,000 per year. This appropriation is for transfer to the Department of Labor and Industry to develop competency standards for the dual training competency grants. DOLI previously received an appropriation to develop such standards under Laws 2014, chapter 312, article 2, section 3. The bill contains new language guiding the development of competency standards in article 3, section 18.
- **Concurrent Enrollment Courses** at \$340,000 per year. Of this amount, \$225,000 per year is for grants to develop new concurrent enrollment courses; \$115,000 per year is for grants to postsecondary institutions not currently offering concurrent enrollment courses. Statutory language governing the development of concurrent enrollment courses is in article 3, sections 3, 4, and 5.
- **Student Loan Debt Counseling** at \$150,000 per year. This appropriation is to fund a new grant program established in article 3, section 24.
- **Campus Sexual Assault Reporting** at \$25,000 per year. The new reporting requirements are established in article 4 of the bill.
- **Teacher Shortage Loan Forgiveness** at \$200,000 per year. The loan forgiveness program is established in article 3, section 10 of the bill.
- **Agency Administration** at \$2.5 million per year.

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This section allows any balances in the first year to carry forward to the second year, and permits transfer of funds between certain programs, with prior notice to the legislature.

- 4 Board of Trustees of the Minnesota State Colleges and Universities.** Appropriates approximately \$672.9 million in FY 2016 and \$672.7 million in FY 2017 from the general fund, as described below.

- **Central Office and Shared Services Unit** at \$33.1 million per year.
- **Operations and Maintenance** at \$635.7 million in FY 2016 and \$635.5 million in FY 2017.
 - Of this appropriation, \$50 million in FY 2016 and \$50 million in FY 2017 is for **student tuition relief**.
 - For the 2015-16 academic year, the Board of Trustees is prohibited from increasing tuition rates at state colleges by any amount.
 - For the 2016-17 academic year, the Board of Trustees must freeze tuition at state universities at the 2015-2016 rate, and must reduce tuition by at least 1 percent at state colleges compared to the 2015-2016 rate.

This appropriation includes additional funding for the following programs:

- \$57,000 in fiscal year 2016 and \$58,000 in fiscal year 2017 to implement the **transfer pathways** required in article 3, section 21, of the bill.
- \$200,000 in FY 2016 to implement a pilot of a new **year-long student teaching program**. The bill additionally contains statutory language permitting teacher preparation programs to use a year-long model in article 2, section 3.
- \$18,000 in each year for transfer to the **Cook County Higher Education Board** to provide programming and academic support to remote regions in northeast Minnesota.
- \$50,000 in each year for developing **online courses in farm business management**. This language originated in Representative Poppe's H.F. 1051 and Senator Dahms' S.F. 1716.
- \$225,000 in each year for the development of **an agricultural education teacher licensure program** at Southwest Minnesota State University. This language also originated in Representative Poppe's H.F. 1051 and Senator Dahms' S.F. 1716.
- \$35,000 in each year for programs to assist **foreign-born nurses** and groups underrepresented in nursing succeed in nursing school. This language originated in Representative Clark's H.F. 692 and Senator Hawj's S.F. 893.
- \$175,000 in both years to establish a **veterans to agriculture pilot program**. This language originated in Representative Clark Johnson's H.F. 545 and Senator Sheran's S.F. 653.
- \$40,000 in both years to implement the **sexual assault policies** required in article 4.

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Five percent of the operations and maintenance appropriation in fiscal year 2017 is contingent upon MnSCU meeting five performance goals, as follows.

| Number of Performance Goals Met | Percent of Withheld Funds Received |
|----------------------------------------|-------------------------------------------|
| 3, 4, or 5 Goals | 100% (approx. \$31.78 million) |
| 2 Goals | 67% (approx. \$21.29 million) |
| 1 Goal | 33% (approx. \$10.48 million) |
| 0 Goals | 0% of withheld funds |

The performance goals that the bill establishes for MnSCU are as follows:

- Increase by at least 4 percent the number of degrees, diplomas, or certificates conferred in FY 2015 relative to FY 2008, and provide a report to the legislature on the number of credentials conferred.
- Increase by at least 5 percent the FY 2015 employment rate for 2014 graduates compared to the 2011 rate for 2010 graduates.
- Reallocate \$22 million in costs for fiscal year 2016, and invest the reallocation in direct mission activities, reductions in tuition growth, and to programs that benefit students.
- Decrease by at least 10 percent in FY 2015 the number of students enrolled in developmental courses as compared to FY 2013.
- Increase by at least 5 percent in FY 2015 relative to 2011 the number of degrees awarded to students who took more than 128 credits for a baccalaureate degree or 68 credits for an associate degree.

The Board of Trustees and the Office of Higher Education must agree on specific numerical definitions for each of the performance metrics. By February 1, 2016, the Board must report to the legislative committees with jurisdiction over higher education on their progress in achieving these goals.

- **Learning Network of Minnesota** at \$4.1 million per year.

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Board of Regents of the University of Minnesota. Appropriates approximately \$627.7 million in both years, as described below.

- **Operations and Maintenance** at \$559.1 million per year.

This appropriation includes funding for the following items:

- \$11 million in both years are to **minimize the cost of attendance**; research to solve the challenges facing the state, nation, and world; to educate diverse Minnesotans who show the greatest promise; and for public service that builds lasting partnerships with communities across the state to address our most complex and pressing issues.

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- \$15 million in both years are for the **medical school** to increase research, improve the school's ranking, attract and retain staff and students, invest in physician training programs in rural and underserved areas, and to translate research discoveries into treatments and cures.
- Five percent of the operations and maintenance appropriation in fiscal year 2017 is contingent upon the University of Minnesota meeting five performance goals, as follows.

| Number of Performance Goals Met | Percent of Withheld Funds Received |
|----------------------------------------|-------------------------------------------|
| 3, 4, or 5 Goals | 100% (approx. \$27.96 million) |
| 2 Goals | 67% (approx. \$18.73 million) |
| 1 Goal | 33% (approx. \$9.23 million) |
| 0 Goals | 0% of withheld funds |

The performance goals that the bill establishes for the University of Minnesota are as follows:

- Increase by at least 1 percent the four-year, five-year, or six-year graduation rates for students of color, averaged over three years, in fiscal year 2016 relative to fiscal year 2014.
- Increase by at least 2 percent the number of undergraduate STEM degrees, averaged over three years, in fiscal year 2016 relative to fiscal year 2014.
- Increase by at least 1 percent the four-year undergraduate graduation rate, averaged over three years, in fiscal year 2016 relative to fiscal year 2014.
- Reallocate \$15 million in administrative costs in FY 2016. The funds reallocated must be infested in direct mission activities, to stem the growth in the cost of attendance, and on programs that benefit students.
- Increase licensing disclosures by three percent for fiscal year 2016 relative to fiscal year 2016.

The Board of Regents and the Office of Higher Education must agree on specific numerical definitions for each of the performance metrics. By April 1, 2016, the Board must report to the legislative committees with jurisdiction over higher education on their progress in achieving these goals.

- **Primary Care Education Initiatives** at \$2.2 million per year from the health care access fund.
- **Special Appropriations**, as follows:
 - **Agricultural and Extension Service** at \$42.9 million per year for a number of specified purposes described in the bill, with a required report to the legislature on the status and outcomes of research funded by this appropriation.

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- **Health Sciences** at \$9.2 million per year.

Of this appropriation, \$346,000 per year is to support up to 12 resident physicians at the St. Cloud Hospital family practice residency program. The remainder of the appropriation is for the rural physician associates program, the Veterinary Diagnostic Laboratory, health sciences research, dental care, and the Biomedical Engineering Center.

- **Institute of Technology** at \$1.1 million per year for the Geological Survey and the talented youth mathematics program.
- **System Special** at \$5.2 million per year for general research, the Labor Education Service, Natural Resources Research Institute, Center for Urban and Regional Affairs, Bell Museum of Natural History, and the Humphrey exhibit.
- **University of Minnesota and Mayo Foundation Partnership** at about \$8 million per year. Of this amount, \$7.5 million per year is for direct and indirect expenses associated with the collaborative research partnership between the University and the Mayo Foundation. The appropriation supports research in biotechnology and medical genomics.

Of this amount, \$500,000 in both years are a new appropriation to award competitive grants to conduct research in to the **prevention, treatment causes, and cures of Alzheimer's disease** and other dementias.

- The **Academic Health Center** is estimated to receive funding of \$22.3 million each year from the dedication of a portion of cigarette taxes.

- 6 **Mayo Clinic.** Appropriates approximately \$1.4 million in each year from the general fund, as described below.

- **Medical School**, at \$665,000 per year, to pay a capitation each year for students who are residents of Minnesota. The appropriation is intended to increase the number of doctors practicing in rural areas.
- **Family Practice and Graduate Residency Program**, at \$686,000 per year, to pay stipend support for up to 27 residents each year.

- 7 **MnSCU presidential selection process; report.** Requires the Board of Trustees of MnSCU to report to the higher education committees of the legislature a schedule for adopting a presidential selection process as a formal policy. The report must be sent by October 1, 2015. This concept originated in Representative Whelan's H.F. 2208 and Senator Miller's S.F. 1488.

- 8 **University of Minnesota budget allocation report.** Requires the Board of Regents to submit a report to the higher education committees of the legislature detailing the factors it considers when allocating funds to separate campuses. The report must specify if non-Twin Cities campuses are treated as single units for budget allocation purposes. The Board must submit the report by February 1, 2016.

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- 9 Tuition reciprocity appropriation cancellation.** Specifies that unspent funds from the Office of Higher Education tuition reciprocity program are cancelled to the general fund. This amount is estimated to equal \$8,394,000.

Article 2: Office of Higher Education**Overview**

This article contains a number of technical and minor policy changes that were included in the Office of Higher Education's 2014 "unsession" proposal, but were not enacted into law. These provisions were introduced this session as Representative Norne's H.F. 1658 and Senator Bonoff's S.F. 1535.

It additionally contains language allowing teacher licensure programs at postsecondary institutions to establish year-long student teaching programs, which originated in Representative Urdahl's H.F. 1956 and Senator Rest's S.F. 1833. The article also contains language allowing spouses of Minnesota residents to participate in the child care grant program, a policy that originated in Representative Christensen's H.F. 1022 and Senator Hall's S.F. 375.

- 1 Remedial instruction.** Repeals obsolete statutory language relating to an admissions form used in 1986.
- 2 E-Verify.** Grants the Office of Higher Education (OHE) an exemption from the state law requiring state contractors and subcontractors to implement the federal E-Verify program for newly hired employees. The exemption only applies to credit reporting services, and requires that the office certifies that it could not reasonably obtain such services without the exemption. OHE requested this provision to implement the student loan refinancing program authorized in 2014 (§ 136A.1704).
- 3 License and rules.** Authorizes teacher preparation programs to implement a year-long student teaching model. This language originated in Representative Urdahl's H.F. 384 and Senator Rest's S.F. 959.
- 4 Incentive programs.** Authorizes the commissioner of higher education to use incentive gifts such as gift cards to promote the programs administered by the office. The total annual expenditure for gifts under this provision must not exceed \$10,000.
- 5 Student representation.** Requires the commissioner to invite the Student Advisory Council to nominate a student or students to serve on task forces created by the office. Repeals the requirement that the commissioner place at least one student on any task force created by the office.
- 6 Collecting fees.** Removes the word "annually" from language appropriating fees collected by OHE. Current law permits OHE to charge fees for seminars, conferences, workshops, and materials, as well as for the registration and licensure of private institutions.
- 7 Eligible students.** Allows spouses of Minnesota residents to participate in the child care grant program, regardless of whether or not they are residents themselves. This provision would take effect starting with the 2015-2016 academic school year. This provision originated in Representative Christensen's H.F. 1022 and Senator Hall's S.F. 375.

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- 8 - 9** **Child care grant.** Makes a number of changes to the eligibility rules for the child care grant program. Authorizes the commissioner to set the income threshold for program eligibility at a percentage of the federal poverty level. Phases out grant by 10 percent of income above the poverty level. Requires the commissioner to consider a student's course load when awarding grants. Establishes a maximum annual grant.
- 10** **Terms and conditions of loans.** Authorizes the commissioner of higher education to set the maximum annual and aggregate loan amount available to students under the SELF loan program. Establishes parameters that the commissioner must use to establish the aggregate and annual maximums.
- 11 - 12** **Nonprofit.** Replaces the phrase "not-for-profit" with "nonprofit."
- 13** **Criteria for approval.** Prohibits private postsecondary institutions from withholding a student's transcript because the student is in arrears or default on a loan issued by the institution.
- 14** **Conditional approval.** Allows OHE to grant an institution conditional approval for a degree program if the institution is in the process of receiving accreditation. This change reflects current OHE practice.
- 15** **Exemption.** Technical change updating a cross-reference.
- 16** **Scope.** Technical change updating a cross-reference.
- 17** **Registration representations.** Eliminates requirement that all out of state institutions identify themselves as "private institutions." Requires all institutions registered with OHE to publish the contact information for OHE in their school catalog or student handbook.
- 18** **Planning information for postsecondary education.** Removes a cross-reference to the achieve scholarship program, which the bill repeals. This program has not been funded since the 2011-2012 academic year.
- 19** **Marketing.** Permits OHE to market the College Savings Plan using fees imposed on participants in the plan.
- 20 - 43** **Private career schools.** Makes numerous technical changes to the statutes governing the registration and regulation of private career schools. Changes statutory language to use the phrase "private career school" rather than "school." Updates cross-references. Prohibits private career schools from withholding a student's transcript because the student is in arrears or default on a loan issued by the institution, consistent with the changes in section 13.
- 44** **Definitions.** Clarifies the institutions eligible for the state educational assistance program for surviving children of deceased veterans. Public institutions and private institutions licensed and registered with the OHE are now eligible for the program.
- 45** **Costs of hospitalization.** Repeals a cross-reference to statutes governing the hospitals that were previously operated by the University of Minnesota. The University of Minnesota transferred the hospitals to Fairview Hospital and Healthcare Services in 1996.

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- 46** **Revisor's instruction.** Directs the Revisor of Statutes to move the sections of statute governing private career schools into chapter 136A, which is the chapter governing the Office of Higher Education. These sections are currently in chapter 141.
- 47** **Repealer.** Repeals a number of sections of statutes. The sections the bill repeals are as follows:
- § 136A.127: the Achieve Scholarship Program. This program has not received funding since the 2010-2011 academic year.
 - § 136A.862: governs the high school-to-college developmental transition program grants.
 - § 141.271, subds. 4 and 6: governs the refund of tuition, fees, and other charges in situations where students attend a school operating without a license. Subdivisions 4 and 6 govern the process of such refunds for resident schools and combination distance education-resident schools.
 - §§ 158.01 to 158.12: governs the University of Minnesota Hospitals. The University transferred the hospitals to Fairview Hospital and Healthcare Services in 1996.

Article 3: Higher Education Policy**Overview**

This article incorporates the policy provisions of the following bills (House Files noted unless language accepted was only present in Senate File):

- H.F. 987 (Selcer – study abroad reporting)
- S.F. 995 (Clausen – concurrent enrollment)
- H.F. 841 (Dettmer – state residency for veterans)
- H.F. 1575 (Davnie – summer academic enrichment program)
- H.F. 841 (Dettmer – resident status for veterans)
- H.F. 1285 (Whelan – institutional reporting)
- H.F. 1170 (Bennett – teacher shortage loan forgiveness)
- H.F. 551/SF 5 (O'Neill/Bonoff – dual training competency grants)
- H.F. 777 (Hamilton – spinal cord and TBI research)
- H.F. 1150 (Urdahl – remedial education)
- S.F. 352 (Clausen – remedial education)
- H.F. 2006 (Dehn – research cats and dogs)
- H.F. 1996 (Heintzeman – transfer pathways)
- H.F. 1517 (Norton – college completion planning)
- H.F. 952 (O'Neill – student loan debt counseling)

The article additionally contains several provisions not previously introduced as stand-alone bills, including:

- Establishes higher education attainment goals for the state, and requires OHE to collaborate with the state Demographer's office to establish baseline data for the goals.

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- Authorizes the University of Minnesota to refinance the bonds issued for the construction of TCF Bank Stadium. Savings from the refinancing are reallocated to the Medical School and Academic Health Center.
- Establishes an occupational scholarship pilot program.
- Requires the University of Minnesota to report on its progress implementing the changes in its human subject research protocols recommended by the external review panel.

- 1 Study abroad reporting requirements. (H.F. 987 – Selcer) Report.** Amends existing requirements that postsecondary institutions must report to the Minnesota Secretary of State any deaths, accidents, and illnesses of students participating in study abroad programs. Requires institutions to report the country, primary program host, and program type. Clarifies that postsecondary institutions must request, but not require, hospitalization and incident disclosure from returning students.
- 2 Secretary of state; publication of program information.** Requires the Minnesota Secretary of State to publish links to the US State Department's Consular Information Program on its Web site.
- 3 Concurrent enrollment participant survey. (S.F. 995 – Clausen)** Requires postsecondary institutions that are members of the National Alliance of Concurrent Enrollment Partnerships (NACEP) to annually report the results of the NACEP evaluative survey to the Office of Higher Education and the Department of Education. Requires both departments to report the survey results to the legislature. Requires postsecondary institutions that are not part of NACEP to conduct an online survey of students who are one year out of high school and previously completed a concurrent enrollment course.
- 4 Concurrent Enrollment Advisory Board; membership; duties.** Requires a postsecondary institution offering concurrent enrollment courses to establish an advisory board. Specifies the membership of the advisory board. Requires the advisory board to periodically report to the postsecondary institution on the institution's concurrent enrollment courses. Requires postsecondary institutions to provide administrative services and meeting space for the board.
- 5 Accreditation.** Requires postsecondary institutions to implement the NACEP program standards by the 2020-2021 school year.
- 6 Attainment goals.** Establishes goals for postsecondary education attainment in Minnesota.
 - Subd. 1. Purpose.** Clarifies that this section's purpose is to set attainment goals.
 - Subd. 2. Postsecondary credentials.** Sets a goal of increasing the number of Minnesota residents ages 25-44 who hold postsecondary degrees or certificates to at least 70 percent by 2025.
 - Subd. 3. Rights not created.** Clarifies that this section does not confer a right or claim for any person.
 - Subd. 4. Data development and analyses.** Requires the OHE to work with the Demographer's office to measure progress toward the attainment goals established.

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Subd. 5. Reporting. Requires the OHE and the Demographers office to annually report to the legislature on the progress towards meeting the attainment goals established under this section. Requires OHE to report progress by race and ethnicity groups, and sets benchmarks of 30 percent and 50 percent to measure progress by race and ethnicity group.

- 7 Summer academic enrichment program. (H.F. 1575 – Davnie)** Establishes a program to allow elementary and secondary students to attend summer academic enrichment programs sponsored by postsecondary and nonprofit institutions.

Subd. 1. Establishment. Establishes the summer academic enrichment program.

Subd. 2. Eligibility. Sets eligibility criteria for students to participate in the program.

Subd. 3. Financial need. Limits program eligibility to students eligible for free or reduced lunch. Caps financial stipends at \$1,000 per student.

Subd. 4. Eligible program sponsors. Specifies which institutions may sponsor an enrichment program. All public postsecondary institutions are eligible. Private postsecondary institutions and nonprofits are eligible if they meet the eligibility criteria established in this subdivision.

Subd. 5. Eligible program. Outlines the criteria a program must meet in order to receive a stipend.

Subd. 6. Information. Requires OHE to distribute information about the program.

Subd. 7. Administration. Grants OHE the authority to determine the program applications, program approval, stipend allocations, and eligible programs.

- 8 Resident students for the state grant program. (H.F. 841 – Dettmer)** Amends the definition of resident student to include all individuals who are active members of the Minnesota National Guard and reside in the state of Minnesota or who are active members of the reserve component of the United States armed forces who reside in Minnesota and whose duty station is located in Minnesota. Additionally grants eligibility to the spouses of the Minnesota National Guard or the armed forces reserves.

- 9 Institution reporting. (H.F. 1285 – Whelan)** Requires public postsecondary institutions to report to OHE data on graduation rates, transfer rates, employment and wage information, and student loan debt. OHE must publish the data reported by schools on its Web site. OHE must provide an electronic copy of the data to each public and private high school in the state and to each workforce center operated by DEED.

- 10 Teacher shortage loan forgiveness program. (H.F. 1170 – Bennett)** Establishes a loan forgiveness program for teachers who work in areas deemed to have a shortage of teachers.

Subd. 1. Definitions. Defines qualified educational loan, school district, teacher, teacher shortage area, and commissioner for purposes of this program.

Subd. 2. Program established; administration. Directs the commissioner of OHE to establish and administer a teacher shortage loan forgiveness program. Makes a teacher teaching in a teacher shortage area eligible for the program.

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Subd. 3. Annual report of teacher shortage areas. Directs the education commissioner to use the teacher supply and demand report to identify licensure fields and economic development regions experiencing a teacher shortage.

Subd. 4. Application for loan forgiveness. Directs interested applicants to apply for the program according to the rules of the commissioner of OHE. Requires program participants to reapply annually and to submit an affidavit verifying they are teaching in a shortage area.

Subd. 5. Amount of loan forgiveness. Limits the annual loan forgiveness to \$1,000 or the cumulative balance of the participant's qualified educational loans, whichever is less. Makes participants responsible for securing their loans. Allows teachers who graduate from an approved teacher preparation program or add a licensure field and teach in a teacher shortage area to apply for the program.

Subd. 6. Disbursement. Directs the procedure for making loan forgiveness disbursements. The commissioner must make annual disbursements to the participant, and the participant must verify that the disbursement was applied toward the loan.

Subd. 7. Penalties. Allows an applicant's teaching license to be suspended or revoked, allows school districts to discipline an applicant, and allows the commissioner to seek repayment of a loan from an applicant who submits false or misleading information.

Subd. 8. Fund established. Establishes a teacher shortage loan forgiveness repayment fund that does not revert to any state fund in any fiscal year and remains continuously available.

Subd. 9. Annual reporting. Directs the commissioner of OHE to annually report by February 1 to the legislature's K-12 and higher education committees on the number of teachers who received loan forgiveness, the licensure areas and economic development regions in which the teachers taught, the average amount paid to the teachers, and other summary data measuring outcomes identified by the commissioner of OHE.

Subd. 10. Rulemaking. Directs the commissioner of OHE to adopt rules to administer this program.

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Dual training competency grants. (H.F. 551/S.F. 5 – O'Neill/Bonoff) Establishes a grant program within OHE. Employers may apply for grants to provide their employees with additional training in the competency standards established by the Department of Labor and Industry.

Subd. 1. Program created. Establishes a grant program to train employees in the competency standards established by DLI.

Subd. 2. Eligible grantees. Establishes which employers and employees are eligible for the grant program established in subdivision 1. Employers may apply for grants to train employees who work or are to be trained to work in an occupation for which a competency standard has been identified. Employees may only participate in the program once, and must apply for Pell and state grants to participate.

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Subd. 3. Training institution. Requires employers to reach an agreement with a training institution prior to applying for a grant. Specifies that any institution or program having trainers qualified to instruct on the competency standard may provide training.

Subd. 4. Application. Establishes the process for applying for a grant.

Subd. 5. Grant criteria. Establishes the criteria the commissioner must use to award grants. To the extent feasible, the commissioner must award equal dollar amounts to employees whose worksites are in the metro and nonmetro areas.

Subd. 6. Employer match. Sets the percentage an employer must pay towards an employee's training, depending on the employer's annual revenue. Large employers with more than \$25 million in annual revenue must pay 25 percent of a program's charge for the training.

Subd. 7. Payment of grant. Allows the commissioner to establish the manner in which grant payments are made to training institutions.

Subd. 8. Grant amounts. Sets the maximum grant amount at \$150,000 and the maximum cost per employee at \$6,000. Requires the commissioner to reduce grants by any Pell or state grants for which an employee is eligible.

Subd. 9. Reporting. Requires the commissioner to annually report to the legislature on the activity of the grant program.

- 12 **Grants.** Requires the commissioner of OHE to award equal grants from the Intervention for College Attendance Program to metro and nonmetro schools. Permits the commissioner to award a preference to nonmetro applications for grants.

- 13 **Spinal cord injury and traumatic brain injury research grant program. (H.F. 777 – Hamilton)** Establishes a grant program (subdivision 1) to fund research into spinal cord injuries and traumatic brain injuries. Fifty percent of the available funds are to be used for research involving spinal cord injuries and 50 percent are to be used for research involving traumatic brain injuries.

The bill provides additional detail on the types of research that OHE may fund.

This section also requires a report to the legislature, beginning January 15, 2016, and annually thereafter, specifying the institutions receiving grant funds, and the purposes for which the funds were used (subdivision 3).

- 14 **Spinal Cord Injury and Traumatic Brain Injury Advisory Council.** Specifies the membership and duties of the advisory council for the spinal cord and traumatic brain injury research grant program established in section 12.

- 15 **Regulating the assignment of students to remedial courses. (H.F. 1150 – Urdahl)**

Subd. 1. ACT college ready score. Prohibits a state college or university from requiring a student to take a remedial or noncredit course if the student received an ACT score that qualifies the student as "college ready" in that subject area.

Subd. 2. Testing process for determining if remediating is necessary. Requires state colleges and universities that use tests to identify if a student must take remedial

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courses provide students taking such tests with information about the content of the test, as well as time to review such materials. Schools must give students who fail such a test the opportunity to re-take the test and study materials to use in preparation for the test.

- 16 Degree and certificate completion; report. (S.F. 352 – Clausen)** Requires MnSCU to annually report to the legislature data on remedial education and degree completion. The report must disaggregate data by race, ethnicity, Pell grant eligibility, and age.
- 17 Conditions for payment to university.** Authorizes the University of Minnesota to refinance the bonds issued for the construction of TCF Bank Stadium. Requires the Board of Regents of the University of Minnesota to allocate \$10 million of the savings from the refinancing to improve the health education and clinical research facilities of the Medical School and Academic Health Center. The Board may use any savings beyond \$10 million prior to 2029 for other university purposes. Savings in the years 2029, 2030, and 2031 cancel to the general fund.
- 18 Competency standards for dual training. (H.F. 551/S.F. 5 – O’Neill/Bonoff)** Requires the Department of Labor and Industry (DLI) to identify competency standards for dual training.
- Subd. 1. Duties; goal.** Requires the commissioner of DLI to identify competency standards for occupations in advanced manufacturing, health care services, information technology, and agriculture. Exempts competency standards development from the rulemaking process.
- Subd. 2. Definition; competency standard.** Defines competency standards.
- Subd. 3. Competency standards identification process.** Establishes a process for identifying competency standards. Requires the commissioner to consult with the commissioner of OHE, industry experts, representative employers, higher education institutions, and representatives of labor.
- Subd. 4. Duties.** Requires the commissioner to take a number of steps to establish competency standards. The commissioner must:
- Establish competency standards for both entry-level and high-skill jobs.
 - Verify the transferability of competency standards with industry representatives.
 - Develop models for Minnesota educational institutions to offer training that meets the competency standards.
 - Encourage participation by employers in the competency standard identification process.
 - Align competency standards with other workforce initiatives.
- Subd. 5. Notification.** Requires the commissioner of DOLI to communicate the competency standards identified to the commissioner of DEED for the purposes of the grant program established in section 11. Requires the commissioner of DLI to post the competency standards on the department’s Web site.

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- 19 Research cats and dogs. (H.F. 2006 – Dehn)** Eliminates the sunset on an existing law requiring higher education research facilities to offer dogs or cats to an animal rescue organization prior to euthanizing them.
- 20 MnSCU college occupational scholarship pilot program.** Establishes a pilot program offering students scholarships to attend two-year colleges in Minnesota to receive credentials in high-demand occupations.
- Subd. 1. Pilot program administration.** Establishes a pilot occupational scholarship program in OHE during the 2016-2017 and 2017-2018 academic years.
- Subd. 2. Definitions.** Specifies which schools and students are eligible to receive scholarships under the program. The program will be available to Minnesota residents who graduate from a Minnesota high school, adult basic education program graduates, or hold a GED. The scholarship may be used to attend a MnSCU two-year college in a program area covered by the federal Carl Perkins Career and Technical Education Act.
- Subd. 3. AmeriCorps worker; exceptions.** Permits individuals who completed a 12- or 24-month AmeriCorps program immediately after graduating secondary school to apply for a grant.
- Subd. 4. Grants.** Directs the commissioner to make grants to eligible individuals to the extent that funds are available.
- Subd. 5. Application.** Requires applicants to apply for the FAFSA; authorizes the commissioner of OHE to establish additional application forms and schedules.
- Subd. 6. Income limits for grant recipients.** Limits grant eligibility to dependent and independent students with federal adjusted gross income on the FAFSA of less than \$90,000.
- Subd. 7. Grant amount.** Sets the grant amount as the cost of tuition and fees minus any federal Pell and state grants for which an individual is eligible.
- Subd. 8. Eligibility period.** Limits eligibility to the two years immediately following high school graduation, completion of an adult basic education program, or passing of all GED tests. Caps grant availability at 72 semester credits.
- Subd. 9. Satisfactory academic progress.** Requires students receiving scholarships to make satisfactory academic progress and hold a cumulative GPA of at least 2.5 in each academic term after the first academic year.
- Subd. 10. Credit load.** Requires a grantee to accumulate at least 30 credits by the end of the first academic year.
- Subd. 11. Grant Renewal.** Specifies that grants may be renewed for a second academic year on a form provided by the commissioner.
- Subd. 12. Mentoring.** Requires grantees to participate in mentoring programs to receive a scholarship. Specifies components of mentoring. The commissioner of OHE must issue a request for proposals to provide mentoring activities.
- Subd. 13. Outreach.** Authorizes the commissioner to engage in outreach, both by OHE itself and by contract.

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Subd. 14. Insufficient appropriation. Outlines the process for awarding grants if appropriations are insufficient. OHE may not prorate grants; eligible individuals must be placed on a waiting list.

Subd. 15. Reporting. Requires OHE to annually report to the committees of the legislature with jurisdiction over higher education on a number of program outcomes.

- 21 Baccalaureate degree pathways. (H.F. 1996 – Heintzeman)** Requires MnSCU to implement transfer pathways to facilitate the transfer of students between associate and bachelor's degree programs.

Subd. 1. Regulate MnSCU baccalaureate transfers. Requires MnSCU to implement the transfer pathway plan that MnSCU previously developed. To the extent possible, the plan must be implemented in accordance with the plan and timeline previously developed.

Subd. 2. New or enhanced bachelor of applied science degrees. Requires MnSCU to develop new bachelor of applied science degree programs in areas of high employment need in the state.

Subd. 3. Report. Requires MnSCU to report to the higher education committees of the legislature on the status of the transfer pathways plan by March 15, 2016.

- 22 - 23 College completion; MnSCU, college completion; University of Minnesota. (H.F. 1517 – Norton)** Requires the Board of Trustees of the Minnesota State Colleges and Universities (MnSCU) to develop a comprehensive plan to encourage students to complete degrees, diplomas, or certificates in their fields of study (section 23). The bill requests that the Board of Regents of the University of Minnesota develop a similar plan (section 24).

The board must consult with students, faculty, and administrators in developing such a plan, and provide the plan and an implementation schedule to the higher education committees of the legislature. The University of Minnesota is requested to engage in the same consultation and reporting.

These sections suggest several policies that MnSCU and the University of Minnesota could consider in the plan, but the suggestions are not required to be included.

- 24 Counseling for student loan debtors. (H.F. 952 – O'Neill)** Establishes a pilot program at OHE to provide students who are delinquent on their student loans with debt counseling. OHE will provide a grant to one nonprofit organization in the state that has experience in providing student loan counseling, employs certified financial loan counselors, and has multiple locations in metropolitan and rural Minnesota.

To be considered for the grant, nonprofit organizations must submit a grant application to OHE. The recipient of the grant must submit a report to OHE that includes an evaluation of the program, and OHE must submit a report on program outcomes to the higher education committees of the legislature.

- 25 Higher education attainment goal; initial report.** Requires OHE, in collaboration with the Demographer's office, to report to the committees of the legislature with jurisdiction over higher education on the baseline data on the methodology that will be used to measure progress towards the attainment goals established in section 6 of this article.

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- 26 Human subject research standards; University of Minnesota.** Requires the University of Minnesota to report to the committees of the legislature with jurisdiction over higher education on its progress in implementing the changes to its human subject research protocols recommended by the external review panel.
- 27 Repealer.** Repeals rules governing the maximum grant and award disbursement process for the child care grant program. The bill amends this process and brings new language in to statute in article 2, sections 8 and 9.

Article 4: Campus Sexual Assault**Overview**

This article incorporates the provisions of H.F. 742 (O'Neill – campus sexual assault). It requires that postsecondary institutions take several additional measures to respond to sexual harassment, sexual violence, and sexual assault on campuses.

- 1 Campus sexual assault data.** Updates list of data classified outside of chapter 13 to include the newly classified data under section 135A.15.
- 2 Sexual harassment and violence policy.** Changes statutes governing postsecondary institutions' responses to incidents of sexual harassment and sexual violence.

Subd. 1. Applicability; policy required. Clarifies that this section of statutes applies to MnSCU and state grant-eligible private institutions. Requests that the University of Minnesota complies with the section. Exempts private institutions with enrollment of less than 100 from subdivisions 4 to 10. Requires university policies on sexual harassment and sexual violence to apply to incidents at activities, programs, organizations, or events sponsored by the university, in addition to incidents occurring on campus.

Subd. 1a. Sexual assault definition. Defines sexual assault as forcible sex offenses under federal laws governing institutional disclosure of crimes.

Subd. 2. Victim's rights. Requires postsecondary institutions to include in their policies on sexual harassment and sexual violence a number of provisions for the treatment of sexual assault victims. Minnesota Statutes, section 135A.15, subdivision 2, currently requires postsecondary institutions to include in their policies on sexual assault and sexual violence a number of provisions that regulate the investigation of sexual assault and treatment of sexual assault victims. This section adds a number of additional requirements to that list. These provisions include:

- Several requirements for how campus authorities must treat and interact with victims of sexual assault.
- Forbidding colleges and universities from disclosing data collected under this section to individuals other than the victim of sexual assault, campus officials

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investigating an assault or conducting a disciplinary procedure, or the police (at the victim's request).

- Forbidding retaliation against victims of sexual assault by campus authorities or the accused.

Subd. 3. Uniform amnesty. Prevents postsecondary institutions from sanctioning students who make a good faith report of sexual harassment or sexual violence for violating the institution's student conduct policy on the use of drugs or alcohol.

Subd. 4. Coordination with local law enforcement. Requires postsecondary institutions to enter into a memorandum of understanding with local law enforcement about how to respond to allegations of sexual assault. The memorandum must be entered January 1, 2017, and updated every two years thereafter. This section includes several items that must be included in the memo, including delineation of investigatory responsibilities, standards for communication and evidence sharing, and methods for sharing information about specific crimes. Finally, this section requires postsecondary institutions to share a copy of the memorandum of understanding with all employees of the campus.

Paragraph (c) allows schools to be exempted from this requirement if they establish a sexual assault protocol team to facilitate cooperation with law enforcement on response to sexual assaults.

Subd. 5. Online reporting system. Requires postsecondary institutions to create an online reporting system to receive complaints of sexual harassment and sexual violence. The online reporting system must allow students to submit reports of sexual harassment or sexual violence anonymously. Postsecondary institutions are only obligated to investigate anonymous reports if a formal report is filed in accordance with the institution's sexual harassment and sexual violence policy, unless otherwise required by law. Institutions must provide certain information to individuals making reports using the reporting system.

Data collected through the online reporting system is classified as private data on individuals under the Minnesota Government Data Practices Act.

Subd. 6. Data collection and reporting. Requires postsecondary institutions to report statistics on campus sexual assault and campus disciplinary procedures to OHE, and to publish such statistics on their Web sites.

Postsecondary institutions must report the statistics to OHE. OHE is required to calculate statewide statistics and publish them on its Web site, consistent with applicable laws governing access to student records. Postsecondary institutions must also publish the statistics on their Web sites. Reports must be prepared and published as summary data.

Subd. 7. Access to data; audit trail. Paragraph (a) classifies data on incidents of sexual assault shared with campus security officers and administrators as private data on individuals. Private postsecondary institutions not subject to Minnesota's Data Practices Act must limit access to the data relating to an allegation of sexual assault.

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Only the victim and persons whose work assignments require access to the data shall be allowed to access it.

Paragraph (b) restricts access to data collected through the online reporting system to individuals with explicit authorization from the institution. Requires institutions to use a role-based access system to store the data and to log all changes in the system and times the data was accessed. Individuals who violate data access rules will have their access to the system permanently revoked, and the institution must forward the matter to a county attorney for prosecution.

Subd. 8. Comprehensive training. Paragraph (a) requires postsecondary institutions to provide campus security officers and campus administration with training on preventing and responding to sexual assault. Postsecondary institutions must offer this training in collaboration with the Bureau of Criminal Apprehension or another law enforcement agency with experience in criminal sexual conduct.

Paragraph (b) requires each incoming student receive training on sexual assault no later than ten business days after the start of a student's first semester of classes. Requires that a student's transcript show completion of the training. The categories of students that must complete the training are provided.

Paragraph (c) requires postsecondary institutions to train individuals responsible for responding to reports of sexual assault.

Subd. 9. Student health services. Requires postsecondary institutions to develop and implement a policy requiring student health service providers to screen students for incidents of sexual harassment and violence.

Postsecondary institutions offering student health services must designate an existing staff member to be a confidential resource for victims. Confidential resources must offer resources to victims of sexual harassment and violence, including information about legal and mental health assistance available to victims, and information about reporting to the institution or law enforcement. Postsecondary institutions must train confidential resources in responding to incidents of sexual harassment and violence.. Data shared with confidential resources is classified as sexual assault communication data under the Minnesota Government Data Practices Act.

Subd. 10. Applicability of other laws. Specifies that nothing in this section exempts individuals from mandatory reporting obligations regarding maltreatment of minors or vulnerable adults. Clarifies that nothing in the section limits the authority of an institution to comply with state or federal laws related to investigations or reports of sexual harassment, sexual violence, or sexual assault.

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Cooperation with postsecondary institutions. Requires local law enforcement agencies to enter into and honor the memoranda of understanding required under section 4.

Section**Article 5: State Grant****Overview**

This article changes sections of statute governing the living and miscellaneous expense and tuition and fee maximums in the state grant program.

- 1** **Cost of Attendance.** Specifies that if no living and miscellaneous expense allowance for the state grant program is established in law, the allowance is equal to the federal poverty line for a one person household in Minnesota for nine months.
- 2** **Surplus appropriation.** Authorizes the commissioner of higher education to increase the tuition and fee maximum in the second year of the biennium if the appropriation for the program is determined to exceed demand.